



# **CNO 20% T&E Cost Reduction Initiative**

***Policy Working Group***  
***ROADMAP BRIEF***



# Policy Working Group

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- **CHARTER:** Generate a Plan of Action & Milestones / “Roadmap” that will:
  - Identify those policies that, historically, have been perceived as a primary contributor to T&E inefficiency (i.e. inducing excessive cost or delay)
  - Identify areas for potential policy change that might improve T&E efficiency and effectiveness, with a sharp focus on overall cost reduction.



# Policy Working Group

## (broad membership)

- Mr. Steve Whitehead
  - *EXCOM Chair*
- Mr. George Ryan
  - OPNAV (N091) / *EXCOM Rep.*
- CDR Bryan Herdlick
  - OPNAV (N912) / Wk Group Lead
- Ms. Maria Cuin
  - PEO (SHIPS)
- Mr. Bruce Griffin
  - PEO (SUBS)
- CAPT Dave Harrington
  - NAVAIR 1.6
- Mr. John Hartford
  - PEO (C4I&S)
- Mr. Andy Kristovich
  - NAVSEA 06 / PEO IWS T&E
- Mr. Bill Padgett
  - OPTEVFOR
- Mr. Jim Paull
  - NAVSEA 62T (NUWC Rep.)
- Mr. Matt Reynolds
  - PEO (SHIPS)
- Mr. Joe Wascavage
  - NAVAIR 1.6
- CDR John Williams
  - NAVAIR 1.6 / PEO(T)
- OSD Advisory Representatives:
  - Mr. George Axiotis
  - Mr. Thomas Blann



# Policy Review Focus

## (cost drivers)

- **Review T&E policy documents to identify and recommend changes to address *cost drivers*:**
  - Inefficiency (i.e. unnecessary document drills & meetings)
  - Excessive levels of testing (When, how much, why?)
  - Perturbations and difficulty associated with technology insertion and/or spiral development strategies
  - Lack of clarity (misinterpretation)
  - Excessive Oversight (When, how much, why?)
  - Obstacles to innovation and/or Evolutionary Acquisition (EA)
  - Support for new concepts (generated by other working groups)
  - Conflict within or between policies
  - Fleet Introduction Policy (Lack of (?))
  - Policy Implementation Directives (Lack of (?))
  - Excessive certification requirements



# Policies to be Reviewed

- Over-arching Policy
  - Statutory
  - DoD
- Navy Policy
  - SECNAV / OPNAV
- Organizational
  - SYSCOM
  - OPTEVFOR
  - “De Facto”
- Sister-Service Policy
  - Can we leverage their “Lessons Learned” and “Best Practices”?
- Previous Studies
  - What policy-specific issues were identified?



# Changes

## (the ultimate “product”)

- Will occur *throughout* the process
- Identify and evaluate potential changes via:
  - Policy Review
    - Evaluation Flow-chart (*slide follows*)
  - Consultation / Interaction (*slide follows*)
    - Other Groups
    - Previous Studies
    - Policy Document Owners (organizations)
- Assign confidence factor to recommendations (*slide follows*)
- Report Findings



# Policy Working Group (Functional Diagram)

- Common policy-related cost drivers and inefficiencies?
- Common policy-related conclusions?

## Previous Studies & Baseline Programs

- Requests For Information (RFI's)
- Response to Policy RFI's
- Cc: List of cost drivers & issues\*
- Cc: Survey "Questions" for baseline programs

## Other Working Groups

- Policy-related RFI's
- Response to policy RFI's
- Cc: Lists of cost drivers & issues\*
- Cc: Survey Questions

\* Post on OPTEVFOR website



- “Group Relationship Graphic” (this slide)
- Policy Working Group POA&M
- Objective / Measure / Metric / Responsibility (OMMR) Matrix tied to POA&M tasks
- Status reports / meeting minutes /

## EXCOM (OPTEVFOR / Mr. Whitehead)

- Direction / guidance / clarification
- Liaison between groups via group-leaders and by attending meetings

Confirm and coordinate baseline programs  
Coordinate for PEO / PM support

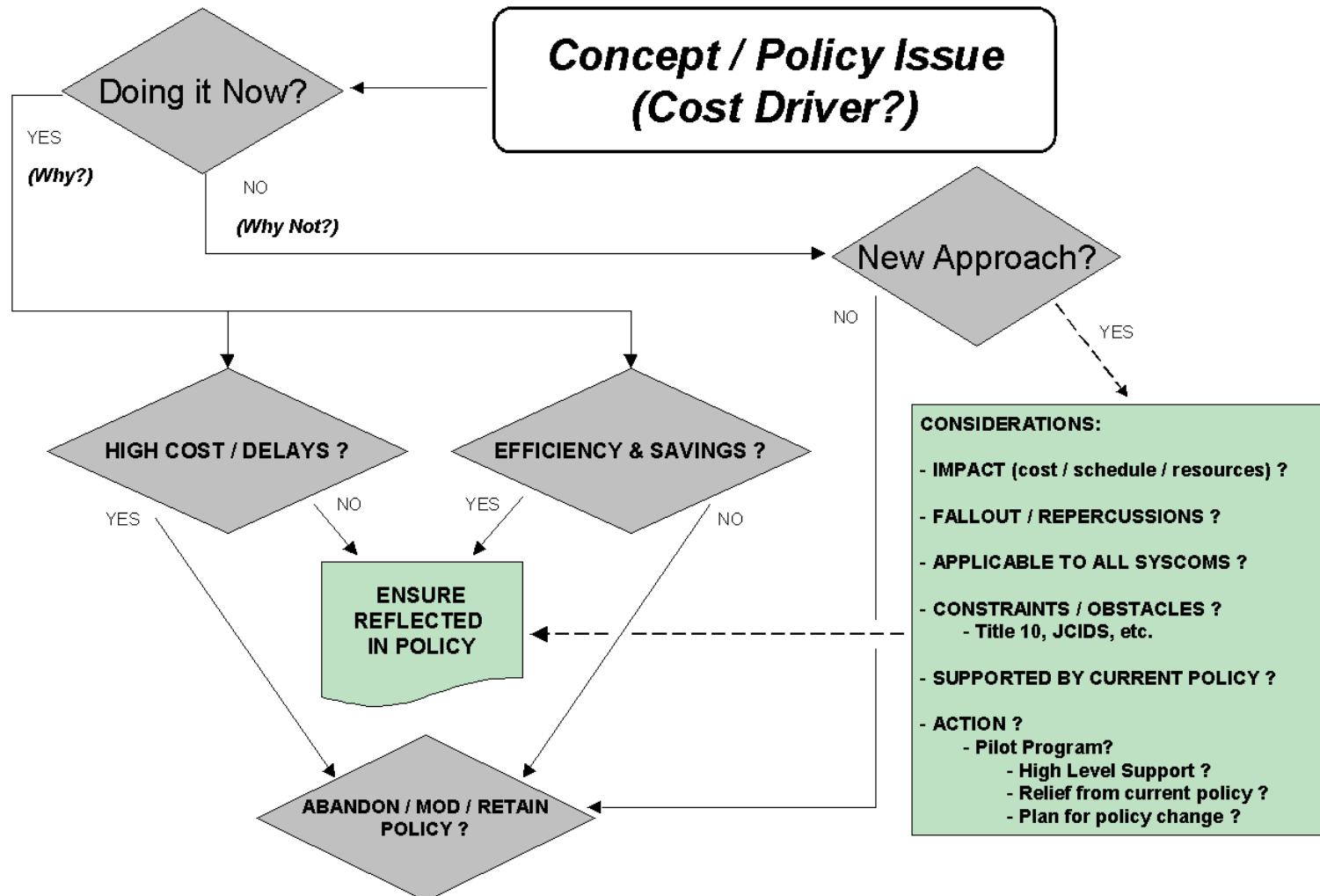


# General Policy Review Questions

- Has policy recently changed and rendered the cost-driver a non-issue?
- Is the policy being misinterpreted?
  - Is the problem self-imposed?
- Could policy be modified to offer less restriction and/or support innovative test methodology?
- Is policy appropriate as the sole avenue for affecting change?
  - Execution is key!
- Do sister-service policy documents or guidebooks address the issue more effectively?
- Is policy the only source of inefficiency, or are other cost drivers associated with the issue?
- Is the issue SYSCOM- or platform-specific?
  - Has one SYSCOM effectively addressed the issue, and can that approach be applied Navy-wide?



# Policy Review Flow-Chart





# Confidence Factors

- **Low**
  - Generated from anecdotal evidence / qualitative comments
- **Medium**
  - Generated from single “prior study” or multiple case-study / baseline programs
- **High**
  - Generated from themes that span multiple studies or programs
- **Very High**
  - Identified as “High Confidence”, but also have quantitative fiscal data associated with them.



# POLICY WORKING GROUP “ROADMAP”

Action Item	JUN	JUL	AUG	SEP	OCT	NO	DEC	JAN	FEB	MAR
I.D. Instructions & Regulations (Assoc. Orgs, POCs / SMEs)	(approx. 15 days)									
Finalize List of “Questions”		(approx. 10 days)								
Direction / Coordination / Tasking following EXCOM brief to VCNO			(approx. 15 days)		(approx. 10 days)	(approx. 15 days)				
Survey Baseline Programs			(approx. 15 days)							
Review Baseline Survey Results			(approx. 15 days)				(approx. 5 days)			
Interaction With Other Groups	(approx. 10 days)		(approx. 15 days)		(approx. 15 days)		(approx. 5 days)			
Review: DoD, Navy, Org.-Level					(approx. 15 days)					
Review: Previous Studies							(approx. 15 days)			
Review: Sister-Service Policies							(approx. 5 days)			
Identify Potential Policy Changes			♦	♦	♦	♦	♦	♦	♦	♦
Collate Results										
Identify Final										



# Objective / Measure / Metric

- **Objective:** Review T&E policy documents to identify and recommend changes to address *cost drivers (detailed earlier)*.
- **Measures & Metrics (are not “clean” when it comes to policy)**
  - (1) T&E cost is a result of execution. The impact of policy on overall T&E cost will be a function of how we do business and whether it changes after policy is modified.
  - (2) “Level of Difficulty” (to effect policy change) will be a function of the level of the policy involved with a particular cost driver. A reasonable expectation would be:
    - High Statutory / DoD / Joint / Field Activity
    - Medium Navy
    - Low SYSCOM
  - (3) Timeframe for affecting recommended changes to policy will also be a function of the level of each policy. Interim guidance may be issued to support immediate changes to execution / methodology. A general expectation is:
    - Near FY05      Interim guidance where appropriate (i.e. “best practices”)  
(No near-term document updates likely)
    - Mid FY06-08 SYSCOM / SECNAV
    - Far FY08+ Any other policy documents
  - (4) Measures, Metrics and Responsibility will be tied to the policy document(s) involved, the nature of the cost driver(s), and the organization(s) responsible for each document.



# **Backup Slides Follow**

